This record is a partial extract of the original cable. The full text of the original cable is not available.

CONFIDENTIAL ROME 004974

SIPDIS

E.O. 12958: DECL: 10/31/2013 TAGS: <u>PREL IZ IT IRAQI FREEDOM</u>

SUBJECT: IRAQ: ITALY REQUESTS SENIOR POSITION IN CPA

REF: A. ROME 4904 ¶B. ROME 4957

Classified By: AMBASSADOR MEL SEMBLER FOR REASONS 1.5(b),(d).

- $\P1.$ (U) This is an urgent action request. Please see paragraph 3.
- 12. (C) Post has received a letter and "Aide Memoire" dated 28 October from Foreign Minister Frattini to the Ambassador outlining Italy's contributions to Iraqi reconstruction efforts and requesting that, in return, a senior Italian envoy be appointed as a Deputy to Administrator Paul Bremer, "having responsibility for a major area of activity, alongside other envoys of similar rank from the US, the UK and other partners in the coalition." (See text of letter and Aide Memoire paragraphs 4-5).
- 13. (C) Post strongly believes that Italy's request merits serious consideration. Italy has been one of our most reliable and steadfast allies in Iraq. Except for the US and UK, no other ally has provided such a strong combination of military and economic support to promote Iraqi stabilization and reconstruction efforts. The number of Italian technical experts working on the ground with the CPA and Iraqi provisional government will soon number approximately 40. Italy proudly claims to have the third largest military and civilian presence in Iraq. (Comment: from here we cannot confirm whether the Italian presence is just larger or just smaller than the Polish. End comment). Italy also made one of the largest EU contributions at the 23-24 October Madrid Donors Conference: Euro 200 million over the next three years on top of troop deployments, humanitarian assistance, and health, water, and agriculture aid programs. (Ref B contains further detail on the Italian commitment to Iraq reconstruction.) Assuming that the government would provide one of its most competent officials, Italy's significant commitment in Iraq would be reinforced by appointment to a senior level position within the CPA.
- 14. (C) Text of the letter follows (Informal Embassy Translation):

Dear Mel.

As you well know, Italy is the third largest contributor to the CPA in Iraq, and as such we expect equitable political and economic returns.

In this regard, I thought it would be useful to send you a short memo that identifies our priorities in terms of the sectors in which we believe Italian participation can be the most significant and competitive.

I trust in your assistance in communicating our expectations to your authorities.

Please let me take this occasion to send you my best wishes. Until soon, Franco Frattini.

15. (C) Text of the attached "Aide Memoire" follows:

Italy is the third largest contributor to CPA, having placed at its disposal over three thousand troops and a growing number of civilian experts, both in Baghdad, Basra and the Dhi-Qar province. In addition to this, Italy has agreed - among others - to fund the drafting of a new Transport Master plan for Iraq, the restoration - in cooperation with the Iraqi Foundation - of the marshlands in the Southern region, a wide-ranging program for the rehabilitation of hospital structures in Baghdad and the Basra region. The level of this commitment is constantly growing, as the number of experts active in CPA increases and new cooperation projects come on stream, and should be appropriately reflected in the command structure of CPA itself. We feel, therefore, that it would be appropriate for a senior Italian envoy to be appointed as Deputy to the Administrator, L. Paul Bremer, having responsibility for a major area of activity, alongside other envoys of similar rank from the US, the UK and other partners in the coalition.

The reconstruction of Iraq will call for a major effort on the part of the international community, on the basis of existing and available capabilities. In this context, Italy is particularly interested in the following:

-- The rehabilitation of the telephone and telecommunications system will require considerable new

investments to replace outdated or damaged equipment. Telecom Italia has submitted a detailed proposal for linking the Iraqi fixed telephone system to the international grid via Jordan and Israel, using the "Med-Nautilus" network. This link would supplement the one already envisaged via Kuwait, and provide the necessary flexibility for a viable system of international telecommunications.

- -- The monetisation of the Iraqi "food basket", by means of debit cards to be issued to every adult citizen, has been announced and should become effective by next summer. It will call for sophisticated IT and communications technology, for which a number of Italian companies have considerable expertise, possess leading-edge technology and could provide assistance.
- -- The Iraqi Transport Master Plan, will concentrate on essential priorities for the entire transportation grid of the country. Italy can provide assistance, notably in respect of urban railways/metro links, intermodal transport infrastructure, air traffic control systems for civilian airports (where Marconi Italia and Raytheon have established a good working relationship).
- -- Water and irrigation present major shortcomings which should be urgently addressed, in order to provide the necessary basis for stability and sustainable development both in Baghdad and in the Southern Region. Italy has developed a considerable expertise and could participate in the programs being currently finalized in the fields of water sanitation, irrigation and especially the reclaiming of the marshlands in the Southern region, the restoration of the canals system, etc.
- -- Electric power generation is another crucial priority. Ansaldo Energia and the Finmeccanica Group have a considerable experience for the Iraqi market, and have over the last thirty years supplied a wide range of power generating units as well as turn-key installations. They could assist in the updating and renovation of the power generation systems of the country, to take account of the needs of the new Iraq.

End Text.

Minimize considered. SEMBLER

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2003ROME04974 - Classification: CONFIDENTIAL